

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EDMONSON COUNTY WATER)	
DISTRICT, EDMONSON COUNTY, KENTUCKY, (1))	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY AUTHORIZING CONSTRUCTION OF)	CASE NO.
MAJOR IMPROVEMENTS AND ADDITIONS TO ITS)	93-440
EXISTING MUNICIPAL WATER DISTRIBUTION)	
SYSTEM, AND (2) SEEKING APPROVAL OF THE)	
ISSUANCE OF CERTAIN SECURITIES)	

O R D E R

On November 22, 1993, Edmonson County Water District ("Edmonson Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$2,247,000 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 271 additional customers. Project funding includes a \$2,200,000 loan from the Farmers Home Administration ("FmHA"), and \$47,000 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

Edmonson Water's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts and FmHA and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on November 22, 1993, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Edmonson Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Edmonson Water's proposed plan of financing with FmHA is accepted.

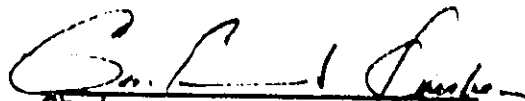
3. Edmonson Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. Edmonson Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), Edmonson Water shall take immediate action to bring the system into compliance with Commission regulations.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 13th day of December, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director